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C O N F I D E N T I A L SECTION 01 OF 03 MASERU 000261

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TAGS: PREL PINR PGOV KICC KHIV LT

SUBJECT: AMBASSADOR'S CALL ON PRIME MINISTER

REF: MASERU 242 AND PREVIOUS

CLASSIFIED BY: June Carter Perry, Ambassador, EXEC , STATE.

REASON: 1.4 (b), (d)

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Summary

(C) Ambassador called on Prime Minister Mosisili May 31 prior to his departure for the UNGASS on AIDS. The agenda included Article 98 Agreement status which is awaiting Cabinet review; positions on Iran, Iraq and democratic growth; HIV/AIDS, education and the Millennium Challenge Account (MCA). The revealing of his cautious manner was not surprising, but reported admission of lack of knowledge on major bilateral issues such as the MCA was surprising. Mosisili apologized for the delayed meeting, expressed his thanks to the U.S. for aid across the board and stated he awaited a full legal briefing on Article 98 during a June 13 Cabinet meeting. Hesitancy on Iran's status at the NAM revealed Lesotho's continuing hesitation on taking hard positions among NAM nations. He supported looking "forward" regarding Iraq's recent government and supported a democratic process in Lesotho itself. His professed lack of detail on major issues demonstrated communications gaps between ministries, hesitancy of ministers in presenting a full picture to the PM on several key matters or possible dissembling. Also participating were POLOFF Dornburg (notetaker) and the GOL's A/Minister of Foreign Affairs Mrs. Mpeo Mahase. End Summary.

Article 98 Agreement Status

- 12. (C) Following courtesy points, including the PM's apologies for a day's delay in our meeting, we questioned him on Article 198. (Note: We were called late May 26 by FOMIN Moleleki reporting there was no legal problem with the draft agreement. He said he had so advised the PM and said the head of government agreed to approve. The Acting Attorney General (A/AG) had called Ambassador earlier to affirm he had presented the opinion of the Hague to the Government. End Note.).
- ¶3. (C) The Ambassador told the PM, as had been frankly put to the FOMIN (see reftels) that a request for assistance to Lesotho had already been denied because of Lesotho's high profile as a non-signatory nation, particularly among the 100 plus nations that have already signed. The PM's reaction was that such a linkage could be so "blunt." I reminded him, as his government has been aware for some time, that Congress had dictated certain

reactions and that many proposals were reviewed by interagency committees. If Lesotho continued to "stick out" as the FOMIN had put it, the country would be an obvious one to be omitted. Furthermore, it would be beneficial to both countries, if high level visits were indeed desired, to deal speedily with any outstanding issues. The PM admitted that such visits were desirable from his point of view (including a high-level New York or Washington trip he would like to have) and that "hurdles" should be overcome. He was reminded that we would like to see him receive a warmer welcome whenever he traveled to the U.S. and an Article 98 Agreement would help ensure that, particularly as so many countries in the SADC region had already signed. I reminded him this could be a quiet, low key event, but one important to continued, beneficial relations in the future. He agreed and said he anticipated the June 13 Cabinet briefing. (Comment: Per the FOMIN, the PM has already been told that there is no contradiction between the draft version and ICC "language." This suggests either dissembling on one side or the other as the PM consistently referred to awaiting the A/AG's presentation. End Comment.)

Iran, Iraq, Democracy

14. (C) Ambassador advised the PM that our position on the NAM's proposed declaration on Iran had been presented to FOMIN Moleleki (the GOL representative at the NAM conference) prior to his departure for Malaysia. We reviewed the points again. The PM demurred, saying he was not as up to date on the situation of Iran as he should be and had not had the opportunity to discuss the issue with the FOMIN. However, he questioned the disparity he perceived between the West's acceptance of some countries' possession of nuclear capability and that of Iran. The Ambassador pointed out that nuclear development for energy (e.g., in South Africa and France) had been accepted and the President's recent visit to India had underscored that stance.

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Regarding Iraq, the Ambassador referred to the Secretary's statement on the establishment of a government there and requested acknowledgment of democratic progress in that nation. The PM nodded, and then began a long monologue on the importance of democracy. We observed the coming together of various ethnic groups in Iraq as a positive development and emphasized the importance of moving forward.

15. (C) The PM said he wished for comity among all the political groups in Lesotho and that he was in full agreement with our emphasis on forward movement. He said Lesotho must have tranquil circumstances in which to ensure its economic and political future. We briefly noted that in American history, there had been disagreements successfully overcome and acceptance by citizens of the final outcome either of elections or court decisions without destabilization of the society. Mosisili asserted that was his deepest desire for Lesotho -- a stable, democratic country. We agreed and observed that with Lesotho taking the SADC helm, it should stand out as a model of progress and positive developments should be made known to the public as stakeholders.

Millennium Challenge Update

16. (C) The PM leapt on the issue of public perception saying there had been much publicity in early 2004 before the Ambassador's arrival about the Millennium Challenge Account and he claimed USG assistance to build the Metalong Dam had been abandoned. I took the opportunity to brief the PM on the fact that all dam projects required environmental and social impact assessment studies in countries around the world. Once his own interministerial committee (led by the FOMIN and the Minister of Finance) realized a study could take 9-12 months, the GOL decided to work on a more limited proposal, but depending on the study's outcome, there remained the potential for U.S. funding of the dam. Our understanding from the Minister of Finance was that the proposal would come before Cabinet soon (June 13). We

encouraged the PM to make sure that all proposal papers were in to Washington on time so that the due diligence process could begin by July at the latest in order to look at a potential compact before the end of the year, assuming the MCC Board approved Lesotho's submission.

HIV/AIDS, UNGASS, Education

17. (C) The Ambassador informed the PM that First Lady Mrs. Laura Bush would lead the USDEL to UNGASS and congratulated him and his wife on the public stance they had taken to make the AIDs battle a priority in Lesotho. Mosisili thanked the U.S. for its help (we had told him PEPFAR had not been present previously, but had now tripled funds in country). He observed the ongoing need for human and material resources. We highlighted our efforts to have all USG and U.S. private organizations work in concert with Basotho partners, otherwise sustainability would not exist. Mosisili fully agreed, especially with our suggestion that we have U.S. clinicians work side-by-side for 6 months to 2 years training as well as treating to make every effort a lasting one. We noted our regular one-on-one meetings with the Minister of Health to help resolve any cross-cultural or technical problems. (Comment: The Health Minister is a relative of the PM and seems to tell him everything in detail. End Comment.) We thanked the PM for his attention and his wife's to education; Mrs. Mosisili is helping us launch rotating libraries across the country, including in isolated rural, mountainous areas. The PM (who was an exchange student in the U.S.) said he could not overemphasize the importance of U.S. book donations. The meeting ended on that high note with Mosisili saying he appreciated hearing U.S. views before he traveled to New York and indicated his interest in future high-level visits to New York and Washington. The Ambassador responded that we wanted to overcome any "hurdles" that might hinder the warmest welcome possible should any opportunities come to fruition.

Comment

18. (C) We found the sometimes dour PM in a rather upbeat mood (for him). His dancing around the Article 98 legalities seems to us to reflect, perhaps, lingering doubts or lack of full disclosure by the Foreign Minister who accuses the PM's son ("a drunk" in Moleleki's words) of undoing opinions the FOMIN assumes are fully agreed. It is important to remember the rivalry between the PM and the FOMIN, the stakes of pending 2007 elections and the slippery character of both these men. They are politicians above all else. At the same time, as we have previously reported, PM Mosisili is still in "a liberation frame of mind." We have made it clear that diplomacy requires "realpolitick," not procrastination. His misperception of the

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MCA was surprising; the Minister of Finance has told us repeatedly that he briefs the PM (and Cabinet) on the state of play. Either that is not true or the PM made up his line on the MCC's "abandonment." Regarding Article 98, the A/AG called Ambassador just days before our call on the PM to say he had briefed the Government on our consistency of views. Was this not communicated to the PM by the FOMIN? Was the FOMIN's late Friday call to us to say the PM "agreed" to move ahead a ruse? We do not have the full answer yet. The FOMIN should return from Asia and New York soon and we will obtain his side of the story. One thing is clear, the PM wants to have high-level dialogue with the USG and desires continued support in training, health and other areas. He also wants Lesotho to be regarded still as an AU and AMIS player on the continent and by the international community. We will continue to say that positive perceptions can only be maintained through active leadership in the arenas of security and democracy. End Comment. PERRY